

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 229 - SB 271

April 5, 2021

SUMMARY OF ORIGINAL BILL: Requires regional planning commissions (RPCs) to provide certain information concerning natural gas transmission pipeline (pipeline) locations to developers. Establishes notification requirements for RPCs and developers to pipeline operators and prohibits the issuance of building permits by RPCs until certain criteria are met regarding such notification.

FISCAL IMPACT OF ORIGINAL BILL:

Other Fiscal Impact – A precise recurring, mandatory increase in local government expenditures cannot reasonably be determined. *

SUMMARY OF AMENDMENT (006697): Deletes and rewrites all language after the enacting clause such that the substantive changes: (1) shift responsibility for certain notifications from the RPCs to developers; (2) remove the requirement that RPCs make certain data available to developers; (3) remove the prohibition on the issuance of building permits by RPCs; (4) require pipeline operators to file certain information with the RPC by August 15, 2021; (5) prohibit RPCs from issuing final approval to a residential or nonresidential development located within 660 feet from a center point of a natural gas pipeline; (6) clarify that an RPC may rely solely upon information submitted by developers, geospatial data, and information provided by pipeline operators when determining if certain requirements have been met; and (7) establish that RPCs are immune from liability related to the approval for development when approval is based on such information.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

NOT SIGNIFICANT

Assumptions for the bill as amended:

- The proposed language:
 - Requires RPCs to gather raw data from the United States Department of Transportation regarding locations of pipeline;

- Requires developers to provide notice on preliminary development plans application stating that they have notified pipeline operators to verify the location of pipeline;
- Requires operators of natural gas pipeline to provide location information to developers; and
- Prohibits an RPC from issuing a final approval to a residential or nonresidential development located within 660 feet of the center point of a natural gas pipeline until the developer and operator have met the requirements established in the proposed language.
- The proposed language is applicable to 70 counties which have an RPC.
- Requirements placed on developers and pipeline operators are concerning private parties; therefore, any increase in local expenditures are considered not significant.
- Pursuant to Tenn. Code Ann. § 13-3-413(k)(6), preliminary development plans are used to facilitate initial public feedback and secure preliminary approvals from local governments which serve as a guide for all future improvements on the property.
- As requirements placed on developers and operators of pipeline during the preliminary development plan phase of a project, it is reasonably assumed that all requirements established by the proposed language will be met within time for a final approval of the development by the RPC. Any fiscal impact to local government is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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